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all things social and economic considered, the highest evolution of the wage system.

Although the author has been in living touch with the system he describes, and although his method of treatment has the external appearance of a very logical division of his theme, the book, it must be said, leaves the reader with a less clear picture of actual conditions in Germany than could be wished. The chief criticism one would care to pass upon the book is that it contains rather too much generalization and theory, and not enough of detail.

GEORGE O. VIRTUE.

WINONA, MINN.

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*The Adjustment of Wages: A Study in the Coal and Iron Industries of Great Britain and America.* By W. J. ASHLEY.

London: Longmans, Green & Co. 8vo, pp. xv + 362.

EIGHT university lectures—delivered early in 1903 at Oxford constitute the text of Professor Ashley's economic study in practical methods of adjusting wages in the coal and iron industries of Great Britain and America. The author's prolonged residence in this country prior to acceptance of his present appointment as professor of commerce in the University of Birmingham, England, has made him familiar with economic conditions here, and afforded him exceptional opportunities for comparative study of British and American industrial institutions. These lectures are mainly descriptive of labor conditions in the two great industries considered, with especial reference to the organization of labor, the constitution of boards of conciliation, and the negotiation of wage-compacts under a joint-agreement system. The coal-mining industry is dealt with at considerable length in the first six lectures; in Lecture VII British boards of conciliation and sliding-scale arrangements in the iron industry are taken up more briefly and contrasted with American methods and means of wage-adjustment. The final lecture is devoted to some account of the "Legal Position of Trade Unions," as defined in recent court decisions. Approximately one-half of the 362 pages are devoted to appendices, wherein some account is given of the chief sources of information regarding the coal-mining and iron industries in both countries, together with the rules of the various British conciliation boards, texts of joint agreements and sliding scales—among other documents the report and awards of the Anthracite Coal Strike Commission. This is all valuable material.

Mr. Ashley is clearly interested in the development of unionism as a condition of collective bargaining in these fundamental industries. In the perfection of institutions for the adjustment of wages in the coal-mining industry, Great Britain is conceived to have "reached a later stage in industrial development" than the United States—one in which "wages are determined by negotiation between organized bodies of employers and employed;" while the United States "seems to be just struggling on to the stage of corporation negotiation." It is interesting to note how those great issues which have perplexed British miners and masters for a generation back have had to be faced more recently in the American coal fields too. Evidence would seem to indicate that English and Scotch miners have, on the whole, exercised a higher degree of ingenuity, if not of intelligence, in their efforts to solve these problems of wage adjustments, than American miners have done; their efforts seem also to have been more sustained and unrelenting, while British operators have shown themselves much more disposed than American mine-owners to treat with their men. The difficulties which British miners and masters have encountered in attempting to effect some satisfactory adjustment of wages to prices through the establishment of sliding scales are well indicated in Professor Ashley's lectures. Men and masters are now agreed that no simple automatic mechanical adjustment can prove satisfactory. Price is finally conceded to be only one factor in determining profitability of an industry; other factors, such as volume of trade or sales, and "general condition" of industry are commencing to be regarded, and these cannot be introduced into sliding scales with any definiteness. Where wages are nicely adjusted to prices, the masters lose one great incentive to maintain prices at any given point. Their profit becomes largely independent of the price at which the product is marketed, since wages fall with prices. This explains the remark of the South Wales miner to Professor Ashley, regarding the sliding scale, that "the confounded thing has no bottom." Attempts to fix maximum and minimum limits to the movement of wages have also proved unsatisfactory, or rather practically unworkable, owing to the disposition on both sides to disregard the limits under certain conditions. Under sliding-scale agreements the operators have evinced a disposition to contract for future delivery at low prices, undercutting one another and depressing the market; so that in certain instances conciliation or adjustment boards have come to be regarded

as institutions for "assisting competition and rushing down wages." The Scotch formula drawn in 1902 attempts to avoid some of these difficulties by providing for a less mechanical adjustment, as follows :

The average net realized value of coal at the pit bank for the time being, taken in conjunction with the state of trade and the prospects thereof, is to be considered in fixing miners' wages between the minimum and maximum for the time being ; and in current ordinary circumstances a rise or fall of  $6\frac{1}{4}$  per cent. in wages on the 1888 basis for every  $4\frac{1}{2}$  d. per ton of rise or fall in the value of coal is reasonable. (P. 66.).

It is at least doubtful if these complicated, not to say vague, provisions for more or less mechanical adjustment and regulation of wages by prices are calculated to work out more advantageously for the miner, or are more in accordance with sound economics, than the simpler and more direct method of negotiating definite wage compacts for a short period, after the American plan. The British system has certainly led to a manipulation of prices to depress wages, and this is a serious consequence ; but, aside from this, it is difficult to find any economic justification for the attempt to regulate absolute wages by prices. In the industrial world wages are not in fact regulated by profits, nor are trade-unionists willing to admit that they should be so adjusted — the poor manager who is making no profits must pay the same wages as the good manager who is making high profits, and our American trade unions are insisting that the same wages shall be paid in periods of depression as in periods of prosperity. But even if profits were exceptionally high in some monopolistic industry, such as anthracite coal mining, there is no economic justification for turning over those exceptional gains to the miners ; this is levying a general tax upon the whole community for the special advantage of a few members. The American method of attempting to adjust wage scales, in any particular case, to American standard and cost of living, taking into account especially wages in other sections of the same industry and in comparable industries, and of equally skilled or unskilled labor generally, certainly proceeds upon sound economic principles, however difficult the practical adjustment in accordance with these principles may be. Coal miners are "entitled" to wages which equally skilled labor earns in other occupations ; if they cannot earn such wages, they should seek other occupation, since that is conclusive evidence of overcrowding ; and if they are able to exact higher wages, their occupation should be opened up to newcomers. Boards of conciliation cannot effect this

adjustment, but they can facilitate the working of economic laws determining industrial remuneration. The adjustment of wages cannot be done mechanically; it demands the unremitting exercise of intelligence. This is the condition of fair adjustment of wages under the rapidly shifting conditions which prevail throughout the industrial world. Any mechanical arrangement must inhibit the free exercise of intelligent discretion, where such an arrangement is at all regarded; in emergency it is, in fact, apt to be disregarded.

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JOHN CUMMINGS.

*Organized Labor: Its Problems, Purposes and Ideals, and the Present and Future of the American Wage Earner.* By JOHN MITCHELL. Philadelphia: American Book and Bible House, 1903. 8vo, pp. xii + 436.

*Le syndicalisme anglais: résumé historique (1792 1902).* By F. FAGNOT. Paris: Société nouvelle de Librairie et d'Édition (Librairie Georges Bellais), 1903. 12mo, pp. 116.

IN *Organized Labor* one finds a good statement of the program of unionism and of the practical issues raised in the industrial world by labor organization. The book gives evidence of "thought and careful consideration" of labor problems; although it is not true that the work is "not that of a theorist or of a doctrinaire," for that is exactly what the writer of this book is. His doctrine or theory is, of course, trade-unionism, and he has written his book to justify his theory, after the manner of theorists and doctrinaires the world over. If nothing more is intended in the above-quoted statement, however, than that he is not a scientific investigator, not a recluse, nor a scholar, but a man of affairs, no exception need be taken, and it is certainly no discredit to the author of *Organized Labor* that he is a man in high authority in the trade-union world, although it does follow, that the work under consideration is not a scientific treatise. An impartially scientific account of unionism could hardly issue from the president of one of the most powerful unions in the country.

The historical matter in Mr. Mitchell's book is drawn from a few well-known general treatises, and the several short chapters devoted to historical treatment give one an interesting, if unoriginal, résumé of the history of the labor movement in the United States